



# THE PRIORITIES OF CANADIAN AGRI-FOOD EXPORTERS

## Getting Ambitious and Unleashing **Agri-food Trade Potential** to Power Canada's Economic Recovery

COVID-19 has demonstrated that the agri-food sector is more than an essential industry - it is foundational to modern life in every corner of the globe. Agri-food trade has provided stability to a world in chaos; vital supply chains that underpin the production and transport of high-quality food continue to function, grocery store shelves are stocked, and food prices are stable.

Canada's agri-food trade has protected jobs and spurred economic activity during a period of unprecedented global uncertainty, proving once again the importance of international trade to economies at home and abroad. Yet COVID-19 continues to test the resiliency of agri-food trade, as countries around the world use the crisis to introduce new protectionist measures in the name of "security." Nearly 100 governments have introduced more than 200 trade restrictions in recent months that have impacted global trade including agri-food, as reported by the WTO.

Without *free and rules-based trade*, the ability for the agri-food exporters to lead Canada's economic recovery is greatly diminished. Canada has an opportunity to lead the way by implementing progressive policy actions that demonstrate a clear commitment to *free and rules-based trade*, more effectively reduce tariffs and non-tariff barriers, and enforce trade rules in our existing free trade agreements.

A summary of CAFTA's key recommendations are:

### 1. **Conduct Strategic Review to Preserve and Enhance Access in Key Export Markets**

Parliament should conduct a competitiveness study of the implementation of Canada's recent FTAs to identify opportunities to maximize benefits of trade agreements for agri-food and where implementation work remains: starting with the CETA but also looking at the CPTTP, CUSMA, and CKFTA.

### 2. **Create a Chief of Trade Implementation at Global Affairs Canada**

The position will monitor and facilitate engagement with the agri-food sector on the implementation of Canada's FTAs and strengthen Canada's capacity to mobilize resources when commitments in FTAs are not respected and negotiated outcomes for agri-food exporters are not achieved.

### 3. **Uphold rules-based trade and safeguard the global trading system**

In tandem with exporters, intensify efforts toward WTO modernization so that the global trading system is once again relevant and at the centre of international trade

### 4. **Prioritize and accelerate trade diversification efforts in priority markets**

- Launch negotiations of a permanent comprehensive and ambitious trade deal with the UK;
- Call on CPTPP signatories who have not yet ratified the trade deal to do so;
- Call on European member states that have not yet ratified the CETA to do so;
- Grow the CPTPP by bringing countries such as South Korea, Thailand, Indonesia, the Philippines and perhaps the UK into the pact;

- Launch FTA talks with ASEAN to help grow Canada’s export footprint in the region;
- Launch exploratory FTA discussions with Indonesia, Thailand, the Philippines as Gateway to the ASEAN;
- Level the playing field in existing FTAs: seek the same level of access than competitors in South Korea
  - In Colombia, through the conclusion of the Pacific Alliance FTA;
  - In South Korea: through the accession to the CPTPP.

**5. Enhance trade engagements and solidify international relationships**

- Reinforce trade relations, reaffirm commitments and foster positive, long-term and mutually beneficial relationships with all key trading partners including China.
- Enhance advocacy capacity within the diplomatic network and Trade Commissioner Service to ensure officials have the tools, focus, strategy and information to advance the interests of agri-food exporters in global priority markets. This is especially important in markets where significant challenges remain due to the persistence of technical barriers to trade or where the reputation of Canadian agri-food sector and regulatory system is being undermined.

